GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:477
ANSWERED ON:06.02.2017
Non-availability of Natural Gas
Gopalakrishnan Shri R.;Kalvakuntla Smt. Kavitha;Maganti Shri Murali Mohan;Udasi Shri Shivkumar Chanabasappa

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has received complaints from various sectors of the economy regarding non-availability of natural gas in the country during the last three years and the current year and if so, the details thereof along with action taken by the Government to ensure adequate supply/allocation of natural gas to various sectors, sector-wise;
(b) whether there is any deficit of natural gas production in the country thereby increasing the dependence in import of natural gas and if so, the details thereof along with steps taken to remove demand and supply mismatch during the said period;
(c) the details of production of oil and gas by various companies during the said period in the country along with the average production cost of domestically produced crude oil and natural gas both by public/pravate sector companeis, upstream/private company-wise;
(d) the steps taken/being taken by the Government to promote natural gas in the country including preparation of plan to enhance the exploration and production in hydrocarbon sector and increase production of oil and gas in the country;
(e) the objectives of 'Gas 4 India' campaign launched by the Government recently along with the current status of said campaign and the targets achieved therefrom; and
(f) whether the Government proposes to set up a National Gas Grid for laying pipeline for transportation of natural gas across the country and if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)
(a), (b) & (d): There is a gap between the demand for natural gas and the domestic natural gas production. The domestic natural gas production is not sufficient to meet the total natural gas demand in the country and various natural gas consuming sectors keep approaching the Government for supply of domestic natural gas. The gap in demand and supply is met through import of Liquefied Natural Gas (LNG) to certain extant. However, the demand of LNG is price sensitive.
The Government has taken several steps to enhance domestic natural gas production through several policy initiatives such as:
(i) Policy to grant relaxation, extension, and clarifications at development and production stage for early monetization of hydrocarbon discoveries
(ii) Marginal Field Policy- Discovered Small Field Policy
(iii) Uniform Licensing Policy-Hydrocarbon Exploration and Licensing Policy
(iv) Policy for Grant of Extension to small and medium sized discovered fields
(v) Policy for Marketing Freedom for Gas Produced from Deepwater and Ultra Deepwater areas etc.; and
(vi) Policy on testing requirements for discoveries made under New Exploration and Licensing Policy (NELP) Blocks.
To incentivize gas production from difficult areas, Government has granted marketing, including pricing, freedom for the gas produced from difficult areas. Marketing freedom has also been provided under Discovered Small Field bidding round as well as under Hydrocarbon Exploration and Licensing Policy (HELP).
(vii) The implementation of these policy initiatives and other reform initiatives is expected to enhance domestic natural gas production from the fields.
(c): As per the report of the PPAC for December, 2016 the details are annexed at Annexure-I
(e): The government is not directly involved in the campaign. The 'Gas 4 India' campaign is an initiative of the Natural gas Industry with its Secretariat being handled by Confederation of Indian Industry (CII) Federation of Indian Petroleum Industry (FIPI) and Natural Gas Society (NGS).
(f): The Government has envisaged to develop additional 15000 Km gas pipelines for completion of National Gas Grid and to increase the availability of natural gas across the country. The Government has taken a historic decision to provide a capital grant of Rs.5176 crore (i.e. 40% of the estimated capital cost of Rs.12,940 Crore) to GAIL for development of a 2539 Km long Jagdishpur-Haldia/Bokaro-Dhamra Gas Pipeline (JHBDPL) project, popularly known as the "Pradhan Mantri Urja Ganga" of Eastern India. This project will ensure the availability of clean and eco-friendly fuel, i.e. natural gas to the Eastern part of the country.
*****